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12/2/76

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MEMORANDUM OF CONVERSATION OF STATE, A/RPS/IPS

ARGENTINA PROJECT (S200000044)

Margaret P. Grafeld, Director

(X) Release () Excise () Deny

Exemption(s):

Declassify: () In Part (X) In Full

() Classify as () Extend as () Downgrade to

Date Declassify on Reason

DATE: December 8, 1976

Place: Home of Political Counselor

Subject: Discussion with Peronist Leaders

Participants: Mr. Charles Bray, Deputy Assistant Secretary, ARA
Mr. Maxwell Chaplin, DCM
Mr. Wayne S. Smith, Political Counselor
Mr. Anthony Freeman, LABATT
Deolindo Felipe Bittel, Acting President of
the Peronist Party
Italo Argentino Luder, Ex-Provisional President
of the Senate
Roberto Ares, the last Minister of Interior
under Mrs. Peron
Enrique Osella Muñoz, Ex-Deputy and Vice
President of the Peronist Party Congress
Antonio Dib, Peronist politician
Americo Grossman, Peronist politician

HUMAN RIGHTS

The question of human rights was discussed at length. I gave some of the historical background of U.S. emphasis on the subject and assured the guests that U.S. Congressmen, such as Fraser and Drinan, are not isolated voices; rather, they are accurately reflecting the preoccupation of their constituents.

The Peronists present all seemed to agree on four major points:

(A) There were indeed deplorable excesses in the government's struggle against the left wing terrorists. Upon taking power the military had vowed to respect human rights, but in practice they have not done so and the central authorities seem unable to control the more irresponsible elements of the security forces.

(B) Despite its failings, the Videla Government, in the opinion of the Peronists, was probably the country's best hope for the time being. They were convinced that if Videla were replaced, he would be replaced by an Army General who would adopt harsher and more repressive

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(C) The obvious interest of the U.S. in human rights had struck them, they said, as something new and had improved the image of the U.S. Dr. Osella Muñoz noted, for example, that while the CIA might have been charged with engineering the overthrow of the Allende government, it was precisely the U.S. which had stood up first in defense of human rights in Chile and which had jeopardized its relations with the military government over a question of principle.

(D) Even while approving of U.S. concern over human rights in Argentina, however, all stated that a public condemnation of the Argentine Government on the part of the U.S. Congress, or any other entity of the U.S. Government, would not be well received in Argentina and would be counter-productive. The Peronists are very sensitive to the question of human rights, they said, since many of their number are in prison. But even they would react very strongly against any such U.S. condemnation and would regard it an inadmissible intervention in Argentina's internal affairs. The result of such a condemnation, they said, would be a rallying behind the government on the part of the people. This would strengthen the government's hand and weaken that of the democratic elements in the country. Rather than help the cause of human rights, therefore, an official condemnation would damage it. Dr. Italo Luder suggested that quiet diplomacy would be more effective than public condemnations. He believed further that international rather than bilateral fora were indicated.

In addition to the points above, Dr. Italo Luder (who was the most impressive of the Peronists and tended to be their spokesman--or at least to do most of the talking) remarked that in his view the human rights question, important as it was, should not be top priority on the Argentine Government's agenda. Governments have to be practical and their primary concern must be for the security of the country; hence, consolidation of its internal front and assuring its defenses, vis-a-vis Brazil, had to rank above human rights.

ARGENTINA'S INTERNAL POLITICAL SCENE

Again, the Peronists present seemed to be in agreement on several major points:

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(A) They accepted major responsibility for the crisis which had led to the military coup of March 24. They noted, however, that the crisis had not begun with the Peronists; rather, it was one which had been building many years and to which previous military governments, and other civil governments, had contributed. Everyone must bear their share of the blame. It was unfortunate that Peron had taken over the helm at such an advanced age. Had he lived a few more years he might have fulfilled his mission and all would have been well. As it was, his death produced a tragic situation which could not have been foreseen. All were convinced that the Peronists were still the over-whelming majority in Argentina--despite the debacle of Mrs. Peron's years in power.

(B) The military government has made progress against the terrorists, but its extremely unpopular economic program and its failure to recognize and deal with the labor movement is creating a situation upon which the terrorists can feed. As discontent with the government grows, the terrorists may find recruiting much easier. Dr. Luder noted that in the past Peronism has been a retaining wall against Marxist penetration of the labor movement. Given the government's present economic program, and the consequent inability of the labor leadership to satisfy the needs and demands of the workers, the latter, in their search for solutions, may soon begin to turn to the extreme left.

(C) The government, if it behaves logically, will recognize that it cannot rule without the support and cooperation of the majority--and the Peronists are the majority. Hence, they believe the government will have to come to them and include Peronism in the ongoing political process. (Dr. Luder went so far as to say that if the Peronists simply remain faithful to their principles, it was only a matter of time before the Armed Forces would have to turn to them.)

(D) They bitterly oppose Martinez de Hoz' economic program which they describe as "anti-popular". They understood that some reordering and austerity were called for. They commented, however, that Martinez de Hoz' approach is to demand all the sacrifices of labor and none of the elite classes. Dr. Luder remarked that it was not accurate that the present economic program was a free-market/free-enterprise program. Freezing

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were manifestations of a "controlled economy". So long as the government sticks to its present economic course, the Peronists can have little to say to it. The differences are too great--i.e. the Peron movement is a popular one and the government's economic policies are "anti-popular".

When I asked Dr. Luder what sort of an economic program the Peronists would propose, he avoided the question by saying there was no point in getting into a technical discussion and that the important thing was to have internal unity. No economic program could be successful unless it enjoyed the support of the majority. What the Peronists would do, he said, would be to consult with all sectors before adopting a program, thus making certain that it had the necessary cooperation and backing to be a success. Dr. Luder did say, however, that if by some stretch of the imagination the government should turn to the Peronists tomorrow for an economic team to replace the present one, the Peronists would have nothing to offer.

COMMENT: It was clear from the conversation that their interest in heading off a U.S. condemnation results in part from tactical political considerations, i.e. if condemnation produces a nationalistic reaction and, hence, a rallying to the government, its hand is strengthened and it will be less inclined to modify its course, a modification which they believe would include a turning to the Peronists.

Drafted: POL- WSmith/pm
December 10, 1976

Cleared by Mr. Bray (in draft)

Distribution: Amb
Dcm
Mr. Bray (ARA)
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